

See. Know. Grow.

The Challenger Advantage 2027

The new growth playbook for emerging tech brands: where growth is concentrating, what consumers will pay for, and how to win the route to market.

NIQ

powered by GfK intelligence

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US $430B

global tech & durables sales, Jan–Jun 2026

83%

want products that last longer

18%

can clearly explain the AI features they see advertised

Based on the NIQ global webinar · 14 October 2026
Namrata Gotarne · Tatjana Wismeth



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The 60-second read

Growth hasn't gone away. It has concentrated.

Four moves from NIQ's 2027 outlook for emerging tech and durables brands, and why challengers can move first.

01

Find the growth pockets

Global value is up 6.0% in USD but units are down 1.9%. Growth is real, and it is concentrating in specific regions and categories.

+14%
Middle East & Africa local currency growth, vs. −5% in China

02

Deliver, and communicate, felt value

Value-conscious does not mean budget-conscious. Rings for example, grew 84% against 7% for core wearables because the benefit is clear.

83%
want more durable products; 59% want on-board AI

03

Earn the recommendation

Understanding lags awareness. Consumers research across search, review sites and retailers, and AI search is already at 12%

18%
can clearly explain advertised AI features

04

Choose your route to market deliberately

Category, region and brand strategy decide the route. One challenger scaled share from 3% to 6% by adding distribution.

59%
of European media tablets sourced via distributors (printers: 42%)

What this means for your 2027 plan

Concentrate. Back the regions and categories where value and units both grow.

Be recommendable. Win evaluation moments, from search to AI answers.

Translate. Sell the outcome (save money, time, effort), not the technology.

Know your terrain. Benchmark competitors' channel mix before you commit.

See where your brand sits on this map.

A strategy session turns these market-level shifts into your categories, markets and channels.

Book a strategy session →

Source: NIQ Market Intelligence (international coverage excl. North America and Russia); NIQ Consumer Tech & Durable Goods consumer survey 2026; NIQ MI Supply Chain.

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Move 01 · Find the growth pockets

Demand is selective, not absent: value is up, volumes are down.

Global tech and durables (excl. North America and Russia) keeps growing in value, but unevenly.

US$430B
Sales value
Jan–Jun 2026

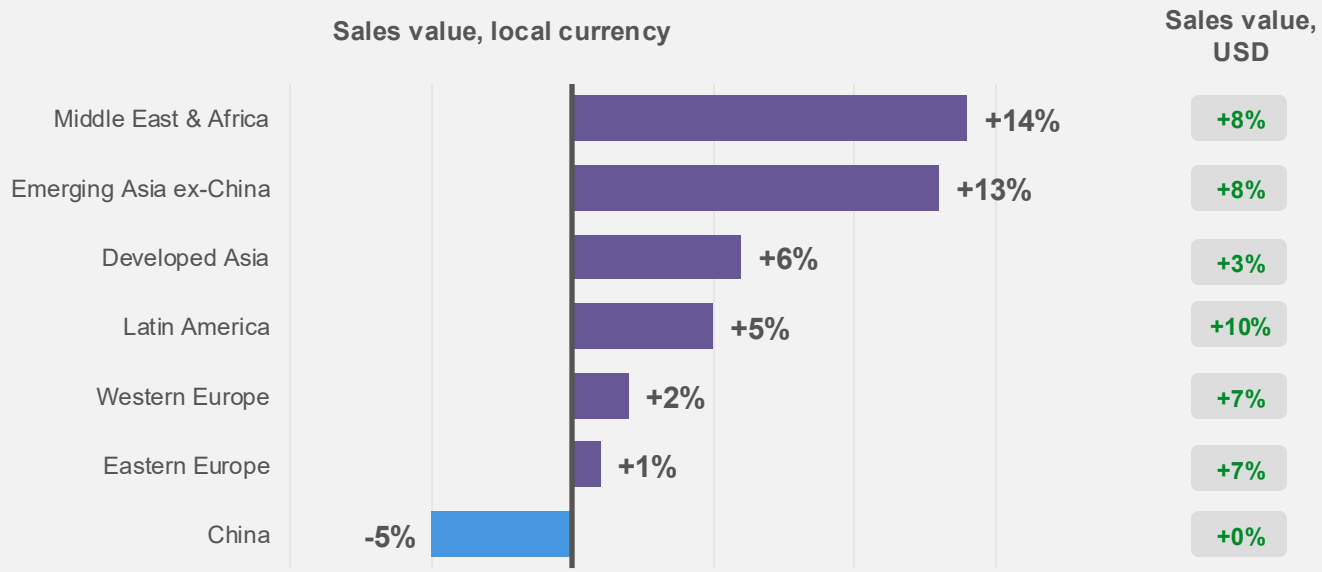
+6.0%
Value growth, USD
vs. same period 2025

+2.3%
Value growth, local currency
the gap to USD reflects FX

-1.9%
Unit growth
demand under pressure

Where momentum is real: growth by region

Tech & durables sales value growth vs. previous year, Jan–Aug 2026



China's decline reflects high comparison bases after two years of subsidy-supported demand, not FX alone. Currency tailwinds flatter USD growth in Latin America and Europe.

So what for challenger brands

Consumers haven't stopped spending. They've become **selective**. Treating the world as one homogeneous market hides where growth really is. Tailor investment to regions at different stages of maturity, and read growth in **local currency** before you commit.

Explore the intelligence behind this page: gfknewron Market →

Source: NIQ Market Intelligence, international coverage (excl. North America and Russia), retail channels. Headline tiles: Jan–Jun 2026. Regional chart: Jan–Aug 2026, growth vs. previous year.

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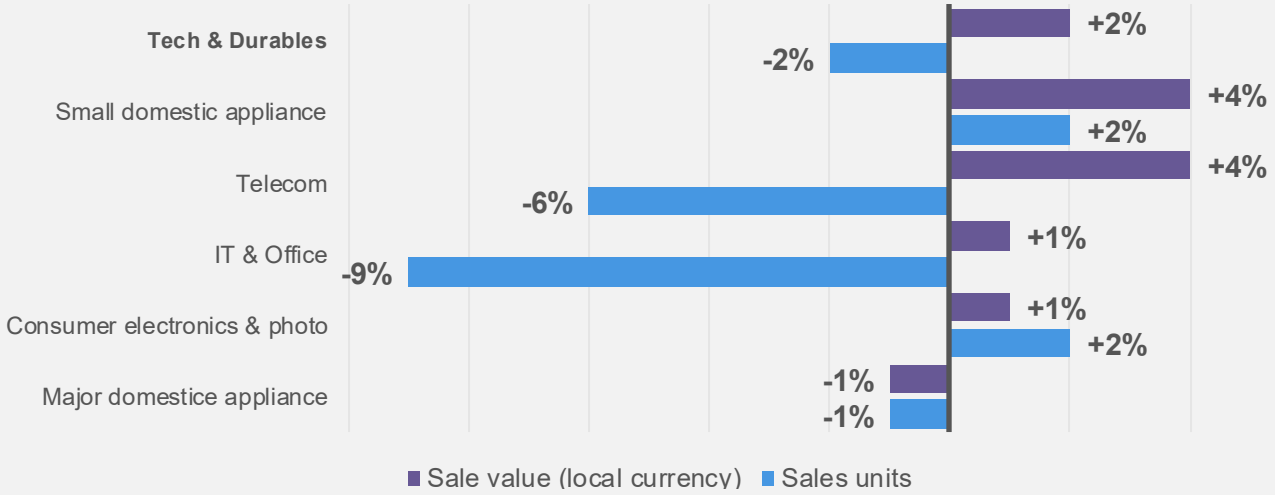
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Move 01 · Find the growth pockets

The winners solve everyday problems. Upgrade-driven categories are struggling.

Growth also splits inside the category map

Sales value (local currency) vs. sales units, growth vs. previous year, Jan–Aug 2026



Small domestic appliances lead. Benefits that consumers can see and feel (convenience, health, automation, time saved) support growth in both value and units.

Telecom and IT: value up, units down. Post-pandemic replacement cycles are tailing off, while higher memory costs and richer specifications prop up value.

Real growth or a blip? Three tests

1 **Value and units.** Durable opportunities show up in both, not in price or mix effects alone.

2 **Over time.** One-off events and weather distort: this summer's European heat lifted air conditioners and fans.

3 **Across markets.** A trend that holds in more than one market is more likely to be structural.

Online keeps pulling ahead: +3% vs. +2% offline in tech and durables (USD, Jan–Aug 2026), as deliberate shoppers research and compare before buying. Major domestic appliances are the exception.

Which of these growth pockets is yours?

Talk to an expert about your categories, markets and channels.

Talk to an expert →

Source: NIQ Market Intelligence, international coverage (excl. North America and Russia), retail channels. Online vs. offline: tech & durables sales value, USD, Jan–Aug 2026.

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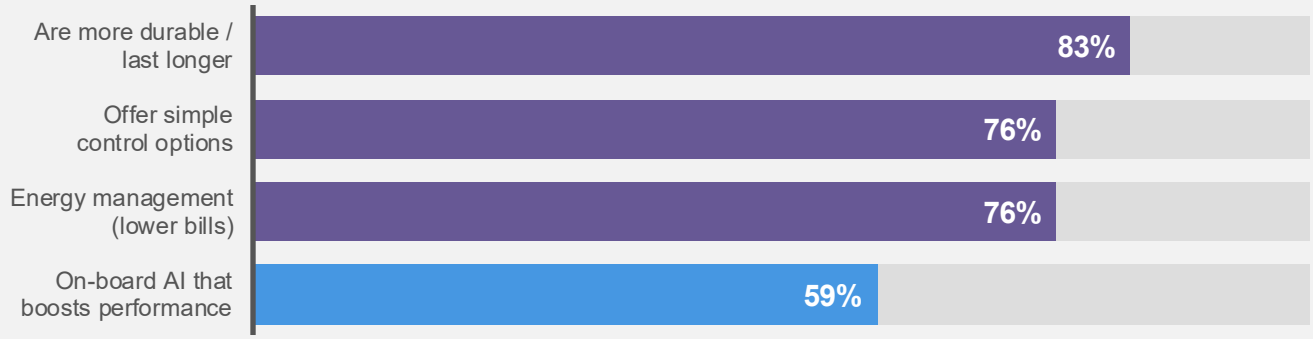
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Move 02 · Deliver and communicate value

Value-conscious does not mean budget-conscious

What consumers want from their next purchase

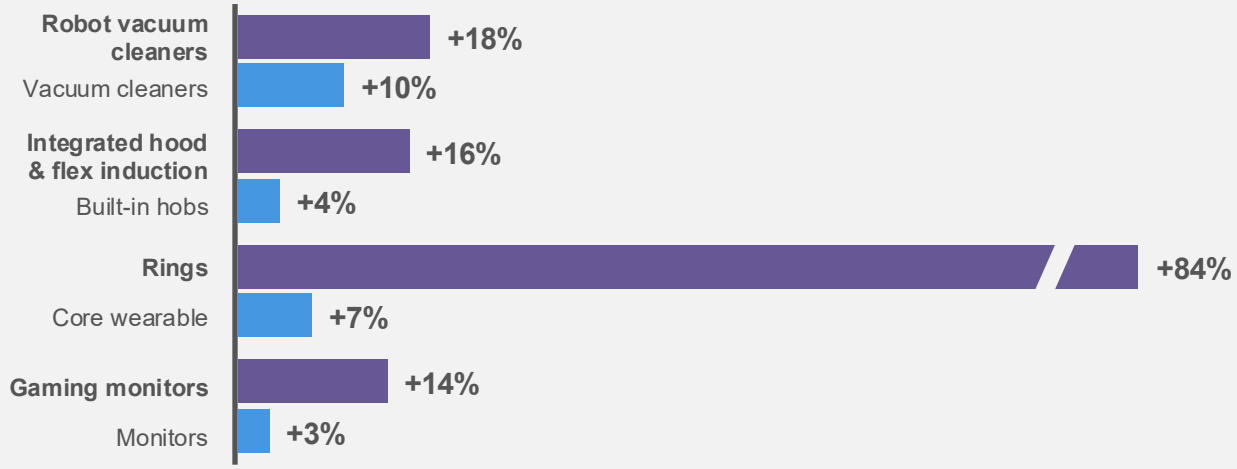
% very or somewhat interested · NIQ Consumer Tech & Durable Goods consumer survey 2026



The top three needs are **practical, not technical**: save money, save time, avoid frustration. Interest in AI is solid, but it ranks behind outcomes.

Where a clear benefit meets a premium, growth outpaces the category

Sales value growth vs. previous year, premium segment vs. core category · International coverage, Jan–Aug 2026



Bar for Rings is truncated (axis break) for legibility; the value shown is the actual growth rate.

So what for challenger brands

Consumers aren't paying more because something is premium. They pay when the premium is **justified by a benefit they understand**. The question is no longer "how innovative is my product?" but "can consumers see why it matters?"

Explore the intelligence behind this page: gfknewron Consumer →

Source: NIQ Consumer Tech & Durable Goods consumer survey 2026 (top-2-box interest); NIQ Market Intelligence, international coverage (excl. North America and Russia), retail channels.

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Move 02 · Deliver and communicate value

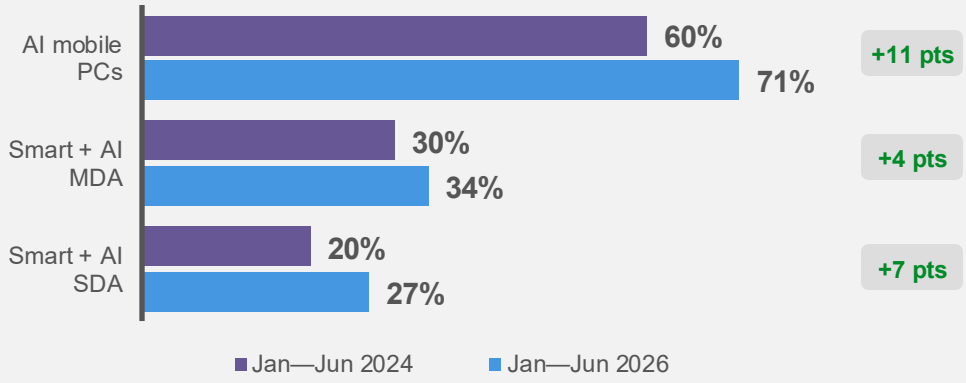
Premium is a lifecycle, and AI is its live test.

1. Innovation-led	2. Expanded adoption	3. Fight commoditization
Earn the premium	**Scale the premium**	**Sustain the premium**
Breakthroughs create differentiation and willingness to pay.	Features spread into broader tiers and channels; convenience drives adoption.	Value shifts from breakthrough to experience, integration and long-term value.

Underneath every stage: ***brand equity · pricing architecture · go-to-market***

Live test AI is the lifecycle playing out in real time

Share of sales value within product group, Jan–Jun 2024 vs. Jan–Jun 2026

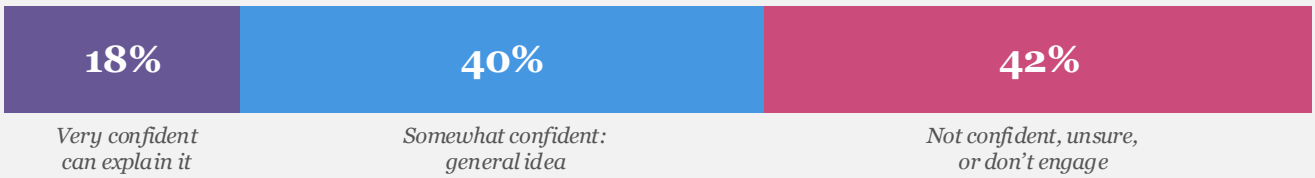


1 in 4 consumers say brands should talk **less about AI** and more about practical benefits (25%).

Awareness is no longer the challenge. Clarity is.

NIQ Consumer Tech & Durable Goods consumer survey 2026

Understanding of advertised AI features (% of consumers)



Very confident can explain it | *Somewhat confident: general idea* | *Not confident, unsure, or don't engage*

Perceived benefit of advertised AI features (% of consumers)



Clear, meaningful benefit | *Useful sometimes, not essential* | *Overhyped, unproven or unsure*

So what for challenger brands

Consumers judge the **outcome, not the algorithm**. Larger brands win on awareness; challengers can win on **clarity**, translating technology into a benefit shoppers grasp in seconds.

Explore the intelligence behind this page: gfknewron Consumer →

Source: NIQ expert framework; NIQ Market Intelligence (excl. North America and Russia), retail channels; NIQ Consumer Tech & Durable Goods consumer survey 2026. MDA / SDA = major / small domestic appliances. Point changes calculated from values shown.

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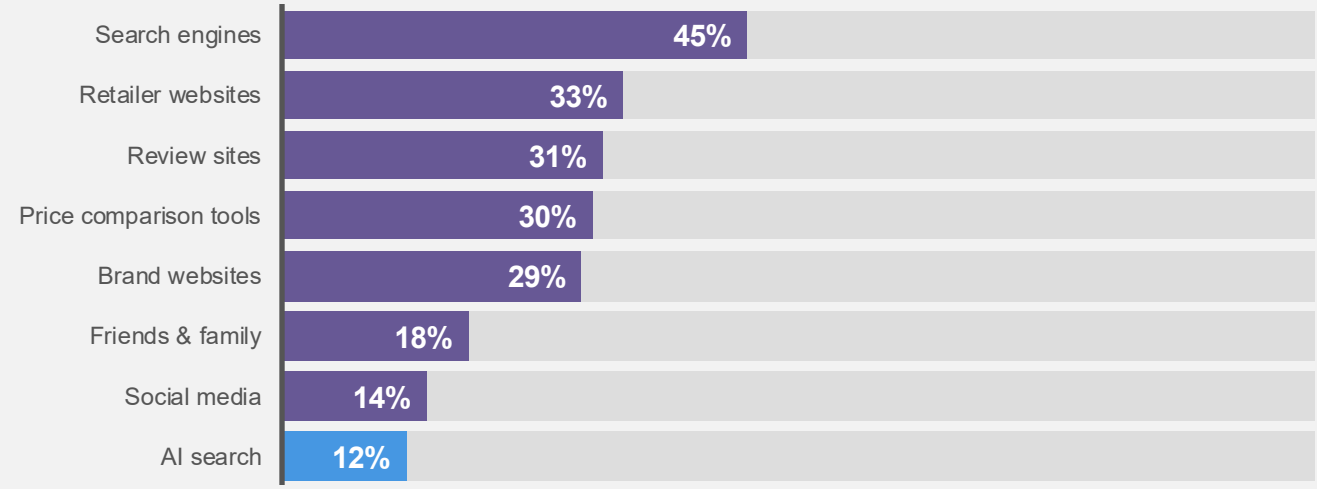
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Move 03 · Earn the recommendation

Show up deliberately, where consumers actually look.

Where consumers go to discover and evaluate tech & durables

% of consumers using each source · NIQ gfknewron Consumer



There is **no single source of truth**. Shoppers compare claims, check reviews, weigh prices and look for reassurance across several touchpoints before they commit.

The next frontier: from visibility to recommendation

01

Win the shelf

Distribution, visibility and execution so shoppers can see the value.

02

Win search

Be present in the evaluation and consideration phase, where decisions are made before the store.

03

Win recommendation

AI search is only 12% today, but if it becomes the layer for comparison, recommendation may outweigh visibility.

So what for challenger brands

AI search is still smaller than search engines or retailer sites. Its **significance is what it signals**: recommendation may become more important than visibility. Start building for it now.

How visible is your brand where decisions are made?

Talk to an expert about the consumer journey in your categories.

Talk to an expert →

Explore the intelligence behind this page: gfknewron Consumer →

Source: NIQ gfknewron Consumer. Share of consumers using each source to discover and evaluate tech and durables brands.

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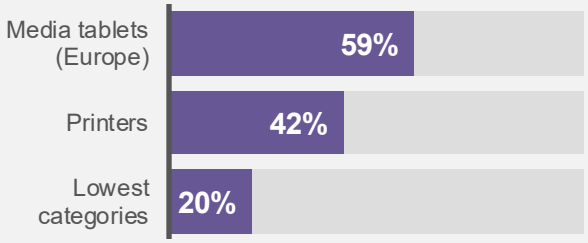
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Move 04 · Choose your route to market

One strategy, different roads: your route to market is a brand decision.

Your category sets the road

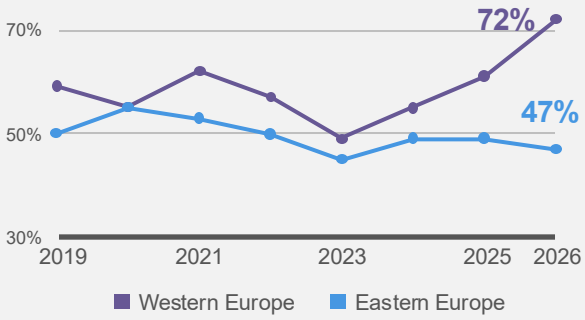
% of point-of-sale volume sourced via distributors



Some categories can barely bypass distribution; others send only around 20% through it.

The terrain matters

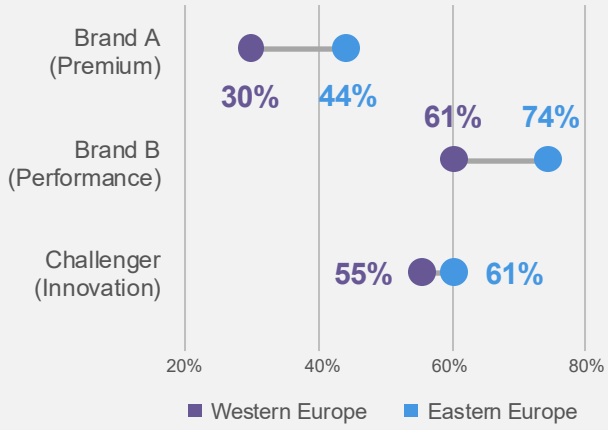
% of POS volume sourced via distribution, by year (2026 YTD)



Geopolitical conflict is pushing Eastern European sourcing toward distributors that safeguard supply and logistics; in Western Europe, strong infrastructure makes direct supply easier.

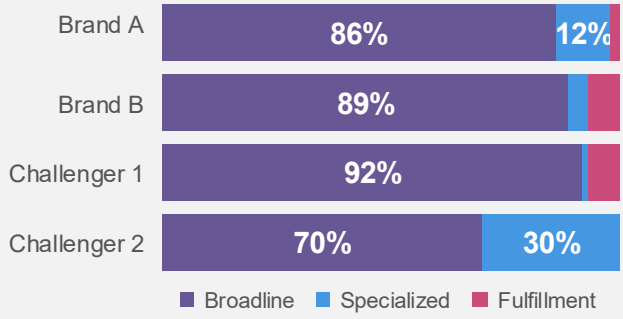
Distribution share follows brand strategy

% of volume sourced through distribution



Which kind of distributor?

Partner mix by business model



Distributors used in Western Europe:
Brand A 49 · Brand B 44 · Challenger 26.

So what for challenger brands

There is **no one-size-fits-all** route. Broadliners offer scale; specialized and value-add partners suit premium or service-heavy products. For a challenger, distributors can be the fastest way to take on established brands, if your partner set matches your positioning.

How does your route to market compare with competitors'?

Book a strategy session to benchmark your channelmix and partners.

Book a strategy session →

Explore the intelligence behind this page: T&D Supply Chain →

Source: NIQ Market Intelligence and MI Supply Chain (~300 distributors, 45 markets); brands anonymized. Category chart: sales units, Jan–Jul 2026, tablets Europe. Regional trend: share of POS volume via distribution, 2026 YTD.

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Move 04 · Choose your route to market

The right conditions, and the right partners, turn a route into share.

Channel conditions Make it worth the channel's while

Average price premium (reseller markup) between distribution sell-through and point-of-sale sell-out, comparable device

Brand A

€94 22%

Distribution price swings with tenders, promotions and seasonality.

Challenger

€119 23%

Stable price point in both distribution and point of sale.

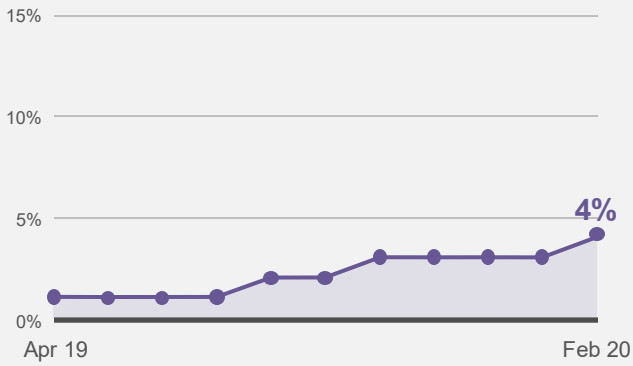
A small gap in percentage points matters to resellers: **reliable pricing and a higher absolute markup** make a challenger more attractive to list, and give incumbents a signal on where to defend.

Case Study Scaling the premium: how one challenger added distribution

Smartphones, Germany · share, sales units · illustrative of one route among many

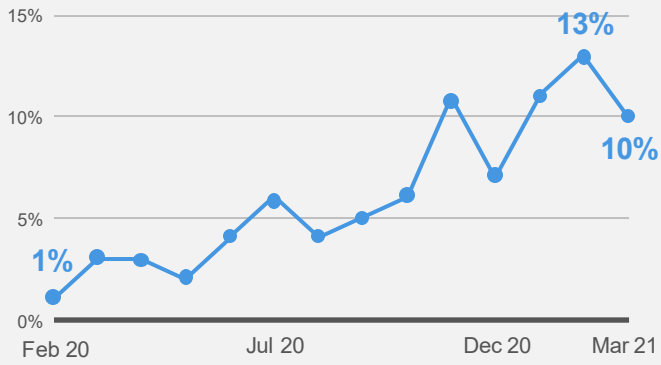
Phase 1 · Sell online

Winning first clients; price pressure rises



Phase 2 · + Distribution

Share within distribution; broadline and specialized partners lift penetration



3% → 6%

The payoff: point-of-sale share nearly doubled within a year (Mar 2020 to Mar 2021), in a category dominated by two main players where passing 5% share is hard.

So what for challenger brands

Combining **distribution and point-of-sale intelligence** shows how competitors are positioned, and what conditions the channel needs to back you.

Explore the intelligence behind this page: Online Price Monitoring → · T&D Supply Chain →

Source: NIQ MI Supply Chain (distribution) and MI Sales Tracking (POS), EU5, all channels, CW10–21, sales units (price premium; brands anonymized). Case study: NIQ Market Intelligence, Germany, smartphones, sales units, Apr 2019–Mar 2021; brand anonymized.

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Your next step

Let's build your next growth win.

Compete like an enterprise, at the scale of a challenger. In a strategy session we map your growth pockets, pressure-test your value story and benchmark your route to market.



Talk to an expert

Scan the code or click the button.
Get started in a minute.

Book a strategy session →

About the data: NIQ Market Intelligence (international coverage excl. North America and Russia, retail channels); NIQ MI Supply Chain (~300 distributors, 45 markets); NIQ Consumer Tech & Durable Goods consumer survey 2026; NIQ gfknewron Consumer.

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